

## **TIPS FOR HIRING HOME IMPROVEMENT CONTRACTORS**

- Do not use an unlicensed contractor! Make sure that the contractor is currently licensed with Maryland Home Improvement Commission (MHIC) by calling (410) 230-6309. The MHIC's Guarantee Fund provides recourse to consumers for substandard or incomplete work but only if the work was performed by a licensed contractor.
- Beware of contractors who come to your home unsolicited. Most "traveling" home improvement contractors do not have valid home improvement licenses. Beware of any offer that sounds too good to be true and assume that any offer that is made on a "now or never" basis is fraudulent.
- Get more than one estimate before contracting for repairs or service. Ask for explanations for price differences between bids, and don't automatically choose the lowest bidder. If the contractor tells you that an expensive or major appliance should be replaced, ask for the contractor's price in writing. Consider purchasing replacement appliances yourself and shop around for the best price.
- Check the complaint history of the contractor with MHIC, and the Howard County Office of Consumer Protection at 410-313-6420. Also, ask for references of recently completed jobs and check them.
- Be sure that your contract is very specific as to the work to be performed. Make sure that all materials to be used (including brands, sizes, weights and color) are included, and there is a beginning and completion date. Be sure that all verbal promises you receive are in the written contract. Request that a "broom clean" clause be included to ensure that all debris will be removed.
- Ask if subcontractors are to be used and if so, verify that they are also licensed and make sure that the names and license numbers are written into the contract. Also make sure that the contract also contains a "release of lien" clause that protects you against subcontractors filing liens on your home if the contractor fails to pay them or goes out of business.
- Be sure that the contract includes a clause that provides you with a three day right to cancel clause, as required by law.
- Do not pay more than 1/3 of the contract price as a down payment at the time the contract is signed, as required by law. While negotiable, do not pay the remaining balance on the job until it is properly completed.
- The MHIC requires that the contractor obtain required building permits from the county. Do not obtain any permits yourself. You will limit the contractor's liability, and make yourself liable.
- Do not sign a completion certificate until the job is completed, fully inspected, and all corrections are properly made.
- If a problem should arise with the work performed, file a complaint with the MHIC, and the Office of Consumer Protection.